

109TH CONGRESS
1ST SESSION

H. R. 3808

To amend title 18, United States Code, to provide criminal penalties for price gouging during times of disaster.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2005

Mr. NEY introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 18, United States Code, to provide criminal penalties for price gouging during times of disaster.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Prohibiting Reprehen-
5 sible Increases in Costs of Essentials (PRICE) Act of
6 2005”.

7 **SEC. 2. PRICE GOUGING.**

8 (a) TITLE 18 AMENDMENT.—Chapter 89 of title 18,
9 United States Code, is amended by adding at the end the
10 following:

1 **“§ 1822. Price gouging during times of disaster**

2 “(a) Whoever engages in price gouging in a time and
3 place of disaster shall be fined as provided in subsection
4 (b) or imprisoned one year, or both.

5 “(b) The fine for an offense under this section shall
6 be computed as follows:

7 “(1) Except as provided in paragraph (2), mul-
8 tiply the amount of the profit made through the of-
9 fense by the number of days that the price gouging
10 has occurred.

11 “(2) If the gross disparity in prices is 50 per-
12 cent or more, multiply by 2 the amount calculated
13 in paragraph (1).

14 “(c) It is a defense to a prosecution for a violation
15 of this section that the increase in the amount charged
16 is attributable to additional costs incurred in connection
17 with the rental or sale of the commodity or rental or lease
18 of any dwelling unit or self-storage facility, or national or
19 international market trends

20 “(d) As used in this section:

21 “(1) The term ‘price gouging’ means charging
22 a grossly disproportionate price;

23 “(2) The term ‘time and place of disaster’
24 means a time during which and a place with respect
25 to which the chief executive of a State with respect
26 to a State, or the President with respect to the

1 United States, has declared a disaster to have taken
2 place.

3 “(3) The term ‘grossly disproportionate’ with
4 respect to a price, means there is a gross disparity
5 between the price of the commodity or rental or
6 lease of any dwelling unit or self-storage facility that
7 is the subject of the offer or transaction and the av-
8 erage price at which that commodity or dwelling unit
9 or self-storage facility was rented, leased, sold, or of-
10 fered for rent or sale in the usual course of business
11 during the 30 days immediately prior to the declara-
12 tion of a state of emergency.

13 “(4) The term ‘commodity’ means any good,
14 service, material, merchandise, supply, equipment,
15 resource, or any article of commerce, and includes
16 gasoline, food, water, ice chemicals, and lumber.

17 “(5) The term ‘gross disparity’ means a 25 per-
18 cent increase.”.

○